

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1001 be amended to read as follows:

Page 10, line 33, delete "1,947,162,850 1,995,987,850" and insert "**1,956,815,796 2,022,562,850**".

Page 10, line 35, delete "1,460,640,150 1,509,465,150" and insert "**1,470,293,096 1,536,040,150**".

Page 20, delete lines 43 through 49, begin a new line and insert:

"FOR INDIANA UNIVERSITY

BLOOMINGTON CAMPUS

Total Operating Expense	183,538,278	188,760,131
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Informatics		4,500,000
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Fee Replacement	16,296,520	16,310,978
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FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT INDIANAPOLIS (IUPUI)

HEALTH DIVISIONS

Total Operating Expense	87,691,319	90,257,585
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Fee Replacement	3,335,121	3,336,311
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FOR INDIANA UNIVERSITY - REGIONAL MEDICAL CENTERS

EVANSVILLE

Total Operating Expense	1,480,697	1,524,029
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FORT WAYNE

Total Operating Expense	1,362,147	1,402,010
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NORTHWEST

Total Operating Expense	1,935,117	1,991,748
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LAFAYETTE

Total Operating Expense	1,727,364	1,777,915
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MUNCIE

Total Operating Expense	1,553,181	1,598,634
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SOUTH BEND

Total Operating Expense	1,440,390	1,482,543
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TERRE HAUTE

Total Operating Expense	1,717,257	1,767,512
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The Indiana University school of medicine shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

GENERAL ACADEMIC DIVISIONS

Total Operating Expense	82,664,273	85,679,587
Informatics		2,500,000
Fee Replacement	14,776,328	14,781,599

TOTAL APPROPRIATIONS - IUPUI

199,683,194	208,099,474
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Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY REGIONAL CAMPUSES

EAST

Total Operating Expense	7,180,623	7,334,511
Informatics Minor		180,000
Fee Replacement	1,707,941	1,713,328

KOKOMO

Total Operating Expense	10,006,440	10,271,385
Informatics Minor		207,500
Fee Replacement	2,018,631	2,024,999

NORTHWEST

Total Operating Expense	17,661,124	18,013,784
Informatics Minor		312,500
Fee Replacement	3,950,817	3,963,279

SOUTH BEND

Total Operating Expense	21,390,651	21,964,774
Informatics Minor		300,000
BA; BS; BFA Integrated New Media	385,246	342,992
Fee Replacement	5,338,342	5,355,180

SOUTHEAST

Total Operating Expense	18,217,411	18,641,154
Informatics Minor		372,500
Fee Replacement	4,899,578	4,915,032

TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES

92,756,805 95,912,919

FOR INDIANA UNIVERSITY -

ABILENE NETWORK OPERATIONS CENTER

Total Operating Expense 887,587 912,940

SPINAL CORD AND HEAD INJURY RESEARCH CENTER

Total Operating Expense 514,583 529,595

DIVISION OF LABOR STUDIES IN CONTINUING EDUCATION

Total Operating Expense 389,121 398,470

OPTOMETRY BOARD EDUCATION FUND

Total Operating Expense 29,000 1,500

CHEMICAL TEST TRAINING

Total Operating Expense 699,269 719,507

INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES

Total Operating Expense 2,715,216 2,788,045

GEOLOGICAL SURVEY

Total Operating Expense 3,307,165 3,400,034

INDUSTRIAL RESEARCH LIAISON PROGRAM

Total Operating Expense 277,366 284,117

LOCAL GOVERNMENT ADVISORY COMMISSION

Total Operating Expense 60,280 61,861

FOR PURDUE UNIVERSITY - WEST LAFAYETTE CAMPUS

Total Operating Expenses 229,073,092 235,163,634

Initiate Undergraduate and Expand Graduate Programs

in Biomedical Engineering 2,708,070

Fee Replacement 24,352,649 24,389,597

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT FORT WAYNE (IUPUFW)

Total Operating Expense 29,990,699 30,710,224

Visualization Center 400,000

Fee Replacement 4,538,798 4,535,071

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES

CALUMET

Total Operating Expense 26,597,978 27,252,593

Computer Technology and Process Control 281,470

1	Fee Replacement	1,943,236	1,938,961
2	NORTH CENTRAL		
3	Total Operating Expense	9,793,272	10,027,656
4	Computer Technology		163,056
5	Fee Replacement	2,809,150	2,808,850

6			
7	TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES		
8	41,143,637	42,472,586	

9

10 **FOR PURDUE UNIVERSITY -**

11 **ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM**

12	Total Operating Expense	3,290,270	3,387,974
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14 The above appropriations shall be used to fund the animal disease diagnostic laboratory

15 system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease

16 testing service at West Lafayette, and the southern branch of ADDL Southern Indiana

17 Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are

18 in addition to any user charges that may be established and collected under IC 15-2.1-5-6.

19 Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable

20 charges for testing for pseudorabies.

21

22 **STATEWIDE TECHNOLOGY**

23	Total Operating Expense	6,040,178	6,202,068
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24 **COUNTY AGRICULTURAL EXTENSION EDUCATORS**

25	Total Operating Expense	7,712,242	7,943,610
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26 **AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS**

27	Total Operating Expense	7,717,484	7,913,695
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28 **CENTER FOR PARALYSIS RESEARCH**

29	Total Operating Expense	512,970	526,289
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30 **UNIVERSITY-BASED BUSINESS ASSISTANCE**

31	Total Operating Expense	1,195,091	1,228,570
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32 **NORTH CENTRAL - VALPO NURSING PARTNERSHIP**

33	Total Operating Expense	107,134	109,343
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35 **FOR INDIANA STATE UNIVERSITY**

36	Total Operating Expenses	78,317,890	80,206,730
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37	B.S. Computer Science		457,191
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38	Fee Replacement	7,159,560	6,542,859
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40 **FOR BALL STATE UNIVERSITY**

41	Total Operating Expense	120,473,431	123,526,705
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42	Applied Computer Technology Program	700,000	
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43	Fee Replacement	9,460,987	6,335,738
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ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES

Total Operating Expense	4,595,007	4,713,016
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FOR UNIVERSITY OF SOUTHERN INDIANA

Total Operating Expense	31,152,232	31,912,085
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B.S. Applied Computer Science	200,000	450,000
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Fee Replacement	3,989,724	3,993,193
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Young Abe Lincoln

Total Operating Expense	262,841	268,841
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HISTORIC NEW HARMONY

Total Operating Expense	407,671	415,486
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FOR VINCENNES UNIVERSITY

Total Operating Expense	30,846,487	31,635,424
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LAN\WAN Computer

Networking Support	155,140	300,000
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Fee Replacement	2,070,468	1,853,421
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FOR IVY TECH STATE COLLEGE

Total Operating Expense	103,665,337	106,234,125
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Expand Information Technology

Offering; Additional Faculty		810,000
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Fee Replacement	10,044,038	8,611,473
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FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)

Total Operating Expense	7,448,387	7,585,662
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The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech State College, and the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of said institutions and IHETS, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2001, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and IHETS and may be expended for any necessary expenses of the respective institutions and IHETS, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures

1 only if approved by the governor and the budget agency.

2
3 The foregoing appropriations and allocations for fee replacement are for replacement
4 of student fees deducted during the 2001-2003 biennium to cover bond or lease-purchase
5 principal, interest, and other obligations of debt costs of facility construction
6 and acquisition for those projects authorized by the general assembly. These fee
7 replacement appropriations and allocations shall be allotted by the budget agency
8 after receipt of verification of payment of such debt cost expense.
9

10 The foregoing appropriations to Indiana University, Purdue University, Indiana State
11 University, University of Southern Indiana, Ball State University, Vincennes University,
12 Ivy Tech State College, and IHETS include the employers' share of Social Security
13 payments for university and IHETS employees under the public employees' retirement
14 fund, or institutions covered by the Indiana state teachers' retirement fund. The
15 funds appropriated also include funding for the employers' share of payments to the
16 public employees' retirement fund and to the Indiana state teachers' retirement fund
17 at a rate to be established by the retirement funds for both fiscal years for each
18 institution and for IHETS employees covered by these retirement plans.
19

20 The treasurers of Indiana University, Purdue University, Indiana State University,
21 University of Southern Indiana, Ball State University, Vincennes University, and
22 Ivy Tech State College shall, at the end of each three (3) month period, prepare
23 and file with the auditor of state a financial statement that shall show in total
24 all revenues received from any source, together with a consolidated statement of
25 disbursements for the same period. The budget director shall establish the requirements
26 for the form and substance of the reports.
27

28 The reports of the treasurer also shall contain, in such form and in such detail as
29 the governor and the budget agency may specify, complete information concerning receipts
30 from all sources, together with any contracts, agreements, or arrangements with any
31 federal agency, private foundation, corporation, or other entity from which such
32 receipts accrue.
33

34 All such treasurers' reports are matters of public record and shall include, without
35 limitation, a record of the purposes of any and all gifts and trusts with the sole
36 exception of the names of those donors who request to remain anonymous.
37

38 Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers
39 of Indiana University, Purdue University, Indiana State University, University of
40 Southern Indiana, Ball State University, and Ivy Tech State College on the basis
41 of vouchers stating the total amount claimed against each fund and/or account, but
42 not to exceed the legally made appropriations. The operating money may be claimed
43 on the basis of twelve (12) equal installments to be claimed monthly starting in

July and ending in June of each fiscal year after allotment by the budget agency.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech State College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

FOR THE MEDICAL EDUCATION BOARD

FAMILY PRACTICE RESIDENCY FUND

Total Operating Expense	2,419,523	2,420,744
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Of the foregoing appropriations for the medical education board-family practice residency fund, \$1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

MEDICAL EDUCATION - INTERN RESIDENCY PROGRAM

Total Operating Expense	1	1
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FOR THE DEPARTMENT OF ADMINISTRATION

ANIMAL DISEASE AND DIAGNOSTIC LABORATORY LEASE RENTAL

Total Operating Expense	1,043,138	1,045,394
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FOR THE DEPARTMENT OF COMMERCE

AVIATION TECHNOLOGY

Total Operating Expense	1,117,800	1,126,492
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FOR THE BUDGET AGENCY

GIGAPOP PROJECT

Total Operating Expense	790,105	807,541
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SOUTH CENTRAL EDUCATIONAL ALLIANCE

BEDFORD SERVICE AREA

Total Operating Expense	304,786	312,910
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SOUTHEAST INDIANA EDUCATION SERVICES

Total Operating Expense	806,169	826,375
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The above appropriation for southeast Indiana education services may be expended with the approval of the budget agency after review by the commission for higher education and the budget committee.

DEGREE LINK

Total Operating Expense	549,061	562,698
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The above appropriations shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech State College and Vincennes University locations through Degree Link. Distributions shall be made upon the recommendation of the Indiana commission for higher education and with approval by the budget agency after review by the budget committee.

COMMUNITY COLLEGE START-UP

Total Operating Expense	4,000,000	4,000,000".
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Delete pages 21 through 25.

Page 26, delete lines 1 through 38.

Page 33, line 29, delete "1,000,000 1,000,000" and insert "**2,000,000 2,000,000**".

Page 35, line 9, delete "42,683,904 42,683,904" and insert "**52,683,904 52,683,904**".

Page 94, between lines 9 and 10, begin a new line double block indented and insert:

"Clean Water Soil Conservation & Water Districts **10,000,000".**

Page 96, delete line 13.

Page 147, delete lines 37 through 50, begin a new paragraph and insert:

"SECTION 77. IC 21-1-30-3, AS AMENDED BY P.L.3-2000, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 3. (a) The amount to be distributed to a school corporation under this chapter is the amount determined by the following formula:

STEP ONE: Determine the applicable target pupil teacher ratio for the school corporation as follows:

(A) If the school corporation's at-risk index is less than seventeen hundredths (0.17), the school corporation's target pupil teacher ratio is eighteen to one (18:1).

(B) If the school corporation's at-risk index is at least seventeen hundredths (0.17) but less than twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen (15) plus the result of:

(i) determine the result of twenty-seven hundredths (0.27) minus the school corporation's at-risk index;

(ii) determine the item (i) result divided by one-tenth (0.1); and

(iii) determine the item (ii) result multiplied by three (3).

(C) If the school corporation's at-risk index is at least twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen to one (15:1).

STEP TWO: Determine the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter, in kindergarten through grade 3 for the current school year; divided by

(B) the school corporation's target pupil teacher ratio, as determined in STEP ONE.

STEP THREE: Determine the result of:

(A) the total regular general fund revenue (the amount determined in STEP ONE of IC 21-3-1.7-8) multiplied by seventy-five hundredths (0.75); divided by

(B) the school corporation's total ADM.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten through grade 3 for the current school year.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the staff cost amount.

STEP SIX: Determine the greater of zero (0) or the result of:

(A) the STEP TWO amount; minus

(B) the STEP FIVE amount.

STEP SEVEN: Determine the result of:

(A) the STEP SIX amount; multiplied by

(B) the staff cost amount.

STEP EIGHT: Determine the greater of the STEP SEVEN amount or the school corporation's guaranteed amount.

STEP NINE: **If the amount the school corporation received under this chapter in the previous calendar year is greater than zero (0),** determine the lesser of:

(A) the STEP EIGHT amount; or

(B) the amount the school corporation received under this chapter for the previous calendar year multiplied by one hundred ~~thirteen two and five-tenths~~ percent (~~113%~~): **(102.5%)**.

For 2000 calculations, the amount the school corporation received under this chapter for the previous calendar year is the 1999 calendar year allocation, before any penalty was assessed under this chapter.

(b) The amount received under this chapter shall be devoted to reducing class size in kindergarten through grade

3. A school corporation shall compile class size data for kindergarten through grade 3 and report the data to the department of education for purposes of maintaining compliance with this chapter."

Delete page 148.

Page 149, delete lines 1 through 26.

Page 150, delete lines 39 through 50, begin a new paragraph and insert:

"SECTION 79. IC 21-3-1.7-6.7, AS AMENDED BY P.L.273-1999, SECTION 134, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 6.7. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (D) of the following formula:

(A) Divide the school corporation's at-risk index determined under IC 21-3-1.8-1.1 by three (3).

(B) Add one (1) to the clause (A) result.

(C) Multiply the result determined under clause (B) by four thousand ~~seventy-nine~~ **four hundred forty-nine** dollars ~~(\$4,079)~~ **(\$4,449)** in ~~2000~~ **2002** and four thousand ~~two six~~ hundred ~~sixty-seven~~ **fourteen** dollars ~~(\$4,267)~~ **(\$4,614)** in ~~2001~~ **2003**.

(D) Multiply the clause (C) product by the school corporation's adjusted ADM for the current year.

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted ADM for the previous year.

STEP THREE: Multiply the sum of one (1) plus the school corporation's at-risk index by the following:

(A) If the STEP TWO result is not more than:

(i) four thousand ~~one~~ **four** hundred ~~one~~ **forty-nine** dollars ~~(\$4,101)~~ **(\$4,449)** in ~~2000~~ **2002**; and

(ii) four thousand ~~two six~~ hundred ~~ninety~~ **fourteen** dollars ~~(\$4,290)~~ **(\$4,614)** in ~~2001~~ **2003**;

multiply by one hundred ~~seventeen~~ dollars ~~(\$100)~~ **(\$117)** in **2002** and **one hundred thirteen (\$113) dollars in 2003**.

(B) If the STEP TWO result is:

(i) more than four thousand ~~one~~ **four** hundred ~~one~~ **forty-nine** dollars ~~(\$4,101)~~ **(\$4,449)** and not more than **four five** thousand **eight five** hundred ~~eighty-five~~ **twenty-five** dollars ~~(\$4,885)~~ **(\$5,525)** in ~~2000~~ **2002**; or

(ii) more than four thousand ~~two six~~ hundred ~~ninety~~ **fourteen** dollars ~~(\$4,290)~~ **(\$4,614)** and not more than five thousand ~~seventy-seven~~ **eight hundred twenty-five** dollars ~~(\$5,077)~~ **(\$5,825)** in ~~2001~~ **2003**;

multiply by the result under clause (C).

(C) Determine the result of:

(i) the STEP TWO result minus four thousand ~~one~~ **four** hundred ~~one~~ **forty-nine** dollars ~~(\$4,101)~~ **(\$4,449)** in ~~2000~~ **2002** and four thousand ~~two six~~ hundred ~~ninety~~ **fourteen** dollars ~~(\$4,290)~~ **(\$4,614)** in ~~2001~~ **2003**.

(ii) Divide the item (i) result by ~~seven hundred eighty-four~~ **one thousand seventy-six** dollars ~~(\$784)~~ **(\$1,076)** in ~~2000~~ **2002** and ~~seven one thousand two~~ hundred ~~eighty-seven~~ **eleven** dollars ~~(\$787)~~ **(\$1,211)** in ~~2001~~ **2003**.

(iii) Multiply the item (ii) result by ~~thirty sixty-seven~~ dollars ~~(\$30)~~ **(\$67)** in **2002** and **sixty-three dollars (\$63) in 2003**.

(iv) Subtract the item (iii) result from one hundred ~~seventeen~~ dollars ~~(\$100)~~ **(\$117)** in **2002** and **one hundred thirteen dollars (\$113) in 2003**.

(D) If the STEP TWO result is more than:

(i) ~~four five~~ thousand ~~eight five~~ hundred ~~eighty-five~~ **twenty-five** dollars ~~(\$4,885)~~ **(\$5,525)** in ~~2000~~ **2002**; and

(ii) five thousand ~~seventy-seven~~ **eight hundred twenty-five** dollars ~~(\$5,077)~~ **(\$5,825)** in ~~2001~~ **2003**;

multiply by ~~seventy~~ **fifty** dollars ~~(\$70)~~ **(\$50)**.

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the greatest of the following:

(A) Multiply the STEP FOUR result by the school corporation's adjusted ADM for the current year.

(B) ~~If the school corporation's previous year revenue divided by the school corporation's previous year ADM is:~~

(i) ~~less than five thousand two hundred twenty-seven dollars (\$5,227) for 2000 and five thousand five~~

hundred eighteen dollars (\$5,518) for 2001; multiply the school corporation's previous year revenue by one and three-hundredths (1.03); or

(ii) at least five thousand two hundred twenty-seven dollars (\$5,227) for 2000 and five thousand five hundred eighteen dollars (\$5,518) for 2001; Multiply the school corporation's previous year revenue by one and twenty-five thousandths (1.025): **two-hundredths (1.02).**

(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ADM for the current year.

SECTION 80. IC 21-3-1.7-6.8, AS AMENDED BY P.L.273-1999, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 6.8. A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

STEP ONE: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter minus the result determined in STEP ONE of the formula in section 6.7 of this chapter is greater than zero

(0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation's ~~current 2002~~ assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

~~(i)~~ (i) The clause (B) result.

(ii) ~~Eleven Thirty-nine dollars and fifty cents (\$11.50) (\$39) in 2000 2002 and twelve thirty-nine dollars and fifty seventy-five cents (\$12.50) (\$39.75) in 2001. 2003.~~

(D) Determine the result determined under item (ii) of the following formula:

~~(i)~~ (i) Subtract the result determined in STEP ONE of the formula in section 6.7 of this chapter from the amount determined in STEP FIVE of the formula in section 6.7 of this chapter.

(ii) Divide the item (I) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP TWO: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter is equal to STEP ONE of the formula in section 6.7 of this chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

~~(i)~~ (i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(iii) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's ~~current 2002~~ assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

~~(i)~~ (i) The clause (D) result.

(ii) ~~Eleven Thirty-nine dollars and fifty cents (\$11.50) (\$39) in 2000~~ **2002** and ~~twelve thirty-nine dollars and fifty seventy-five cents (\$12.50) (\$39.75) in 2001.~~ **2003.**

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide the clause (F) result by one hundred (100).

STEP THREE: Determine the sum of:

(A) ~~two dollars and sixty-nine~~ **ninety-two and five-tenths fifty-nine hundredths cents (\$2.695) (\$0.9259) in 2000; 2002;** and

(B) ~~two dollars and seventy-one and seven-tenths cents (\$2.717)~~ **ninety-seven and nine-hundredths cents (\$0.9709) in 2001; 2003;** and

if applicable, the STEP ONE or STEP TWO result.

SECTION 81. IC 21-3-1.7-9, AS AMENDED BY P.L.3-2000, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001 (RETROACTIVE)]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, **for primetime distributions under IC 21-1-30**, and as special and vocational education grants under IC 21-3-1.8-3 or IC 21-3-10 for a particular year, exceeds:

~~(1) two billion nine hundred thirty-nine million two hundred thousand dollars (\$2,939,200,000) in 1999;~~

~~(2) three billion one hundred ninety million dollars (\$3,190,000,000) in 2000; and~~

~~(3) (1) three billion three hundred twenty-one sixty-four million six hundred thousand dollars (\$3,321,000,000) (\$3,364,600,000) in 2001;~~

(2) three billion four hundred eighty-nine million three hundred thousand dollars (\$3,489,300,000) in 2002; and

(3) three billion six hundred twenty-eight million one hundred thousand dollars (\$3,628,100,000) in 2003;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 82. IC 21-3-1.7-9.7, AS AMENDED BY P.L.273-1999, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 9.7. In addition to the distributions under sections 8, 9.5, and 9.8 of this chapter for 1997 and thereafter, a school corporation is eligible for an amount for at-risk programs in the amount determined in STEP ~~SIX~~ **FIVE** of the following formula:

STEP ONE: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

~~(i)~~ **(i)** Determine the result of the school corporation's at-risk index minus two-tenths (0.2).

(ii) Multiply the item ~~(i)~~ **(i)** result by seven-hundredths (0.07).

(B) Zero (0).

STEP TWO: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

~~(i)~~ **(i)** Determine the result of the school corporation's at-risk index minus fifteen-hundredths (0.15).

(ii) Multiply the item ~~(i)~~ **(i)** result by eighteen-hundredths (0.18).

(B) Zero (0).

STEP THREE: Add the STEP ONE result and the STEP TWO result.

STEP FOUR: Multiply the STEP THREE sum by the school corporation's current ADM. Round the result to the nearest one-hundredth (0.01).

STEP FIVE: Multiply the STEP FOUR product by three thousand ~~three~~ **five** hundred ~~fifty-four~~ **ninety-two** dollars ~~(\$3,354)~~ **(\$3,592)** in ~~2000~~ **2002** and three thousand ~~five~~ **six** hundred ~~twenty-two~~ **sixty-four** dollars ~~(\$3,522)~~ **(\$3,664)** in ~~2001~~ **2003**.

SECTION 83. IC 21-3-1.7-9.8, AS AMENDED BY P.L.273-1999, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 9.8. (a) In addition to the distributions under sections 8, 9.5, and 9.7 of this chapter, a school corporation is eligible for an honors diploma award in the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous calendar year.

STEP TWO: Multiply the STEP ONE amount by:

(1) nine hundred ~~twenty-five~~ dollars (\$925): ~~forty-four~~ dollars (\$944) in 2002; and

(2) ~~nine hundred sixty-three~~ dollars (\$963) in 2003.

(b) Each year the governing body of a school corporation may use the money that the school corporation receives for an honors diploma award under this section to give nine hundred ~~twenty-five~~ **forty-four** dollars ~~(\$925)~~ **(\$944) in 2002 and nine hundred sixty-three dollars (\$963) in 2003** to each eligible pupil in the school corporation who successfully completes an academic honors diploma program in the school year ending in the previous calendar year."

Delete pages 151 through 154.

Page 155, delete lines 1 through 23.

Page 155, delete lines 26 through 41, begin a new paragraph and insert:

"SECTION 85. IC 21-3-10-8, AS AMENDED BY P.L.273-1999, SECTION 148, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 8. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) ~~seven~~ **eight** thousand ~~five hundred sixty-one~~ **forty-five** dollars ~~(\$7,561)~~ **(\$8,045)** in ~~2000~~ **2002**; and

(B) ~~seven~~ **eight** thousand ~~eight hundred forty-nine~~ **forty-six** dollars ~~(\$7,849)~~ **(\$8,246)** in ~~2001~~ **2003**; plus

(2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) two thousand ~~fifty-two~~ **one hundred eighty-three** dollars ~~(\$2,052)~~ **(\$2,183)** in ~~2000~~ **2002**; and

(B) two thousand ~~one~~ **two** hundred ~~thirty~~ **thirty-eight** dollars ~~(\$2,130)~~ **(\$2,238)** in ~~2001~~ **2003**; plus

(3) the duplicated count of pupils in programs for communication disorders multiplied by:

(A) ~~four~~ **five** hundred ~~eighty-six~~ **eighteen** dollars ~~(\$486)~~ **(\$518)** in ~~2000~~ **2002**; and

(B) five hundred ~~five~~ **thirty-one** dollars ~~(\$505)~~ **(\$531)** in ~~2001~~ **2003**; plus

(4) the cumulative count of pupils in homebound programs multiplied by:

(A) ~~four~~ **five** hundred ~~eighty-six~~ **eighteen** dollars ~~(\$486)~~ **(\$518)** in ~~2000~~ **2002**; and

(B) five hundred ~~five~~ **thirty-one** dollars ~~(\$505)~~ **(\$531)** in ~~2001~~ **2003**."

Page 156, delete lines 23 through 50, begin a new paragraph and insert:

"SECTION 88. IC 21-3-12-10, AS ADDED BY P.L.273-1999, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 10. **Beginning in 2002**, the amount of the vocational education grant ~~for 2001~~ is the sum of the following amounts:

STEP ONE: ~~The number of pupils described in section 5 of this chapter (certificates of achievement) multiplied~~

by five hundred fifty dollars (\$550):

STEP TWO: The number of pupils described in section 6 of this chapter (more than a moderate labor market need) multiplied by one thousand dollars (\$1,000):

STEP THREE: The number of pupils described in section 7 of this chapter (a moderate labor market need) multiplied by seven hundred dollars (\$700):

STEP FOUR: The number of pupils described in section 8 of this chapter (less than a moderate labor market need) multiplied by three hundred dollars (\$300):

STEP ONE: For each vocational program provided by the school corporation:

(A) the number of credit hours of the program (either one (1) credit, two (2) credits, or three (3) credits); multiplied by

(B) the number of students enrolled in the program; multiplied by

(C) the following applicable amount:

(i) Four hundred fifty dollars (\$450), in the case of a program described in section 6 of this chapter (more than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a high wage.

(ii) Three hundred seventy-five dollars (\$375), in the case of a program described in section 6 of this chapter (more than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a moderate wage.

(iii) Three hundred dollars (\$300), in the case of a program described in section 6 of this chapter (more than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a less than moderate wage.

(iv) Three hundred seventy-five dollars (\$375), in the case of a program described in section 7 of this chapter (moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a high wage.

(v) Three hundred dollars (\$300), in the case of a program described in section 7 of this chapter (moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a moderate wage.

(vi) Two hundred twenty-five dollars (\$225), in the case of a program described in section 7 of this chapter (moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a less than moderate wage.

(vii) Three hundred dollars (\$300), in the case of a program described in section 8 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a high wage.

(viii) Two hundred twenty-five dollars (\$225), in the case of a program described in section 8 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a moderate wage.

(ix) One hundred fifty dollars (\$150), in the case of a program described in section 8 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a less than moderate wage.

STEP FIVE: STEP TWO: The number of pupils described in section 9 of this chapter (all other programs) multiplied by two hundred thirty five dollars (\$230): (\$250).

Of the above allocation in STEPS TWO through FIVE, twenty dollars (\$20) per pupil is to be used for area coordination.

STEP THREE: The number of pupils participating in a vocational education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars (\$150).".

Page 157, delete lines 1 through 35.

Page 157, delete lines 39 through 46, begin a new paragraph and insert:

"SECTION 91. [EFFECTIVE JANUARY 1, 2002] **(a) Notwithstanding IC 21-3-12, as amended by this act, each year in 2002 and 2003, the amount of the vocational education grant that shall be provided to each school corporation may not be less than:**

(1) the amount of the vocational education grant that the school corporation received under IC 21-3-1.6-3.3 and IC 21-3-1.6-3.4 in 2001; multiplied by

(2) seventy-five percent (75%).

(b) This SECTION expires July 1, 2004."

Page 158, delete lines 2 through 50, begin a new paragraph and insert:

"SECTION 93. P.L.93-2000, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: SECTION 6. (a) Notwithstanding IC 21-3-1.6-1.2, as added by this act, and IC 21-3-1.7, the tuition support determined under IC 21-3-1.7-8 for a school corporation shall be reduced as follows:

(1) For 2001, the previous year's revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount determined under the following STEPS:

STEP ONE: Determine the difference between:

(A) the school corporation's average daily membership count for 2000, without regard to IC 21-3-1.6-1.2, as added by this act; minus

(B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation under this act after applying IC 21-3-1.6-1.2, as added by this act.

STEP TWO: Determine the result of:

(A) the school corporation's previous year's revenue under IC 21-3-1.7-3.1, without regard to IC 21-3-1.6-1.2, as added by this act; divided by

(B) the school corporation's average daily membership for 2000, without regard to IC 21-3-1.6-1.2, as added by this act.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by one-third (1/3).

(2) For 2002, the previous year revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount equal to the result under STEP FOUR of subdivision (1) multiplied by one and three-hundredths (1.03).

(3) For 2003, the previous year revenue determined without regard to IC 21-3-1.6-1.2, as added by this act, shall be reduced by an amount equal to the reduction amount under subdivision (2) multiplied by ~~one and three-hundredths (1.03)~~ **the percentage by which the school corporation's previous year revenue was multiplied in the previous year under IC 21-3-1.7-6.7 STEP FIVE (B).**

(b) This SECTION expires January 1, 2004.

SECTION 94. P.L.93-2000, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: SECTION 7. (a) Notwithstanding IC 21-3-1.6-1.2, as added by this act, and IC 21-3-1.7-6.6, for 2001 **through 2004** a school corporation's "adjusted ADM", for purposes of IC 21-3-1.7, is determined under the following STEPS:

STEP ONE: Determine the school corporation's adjusted ADM under IC 21-3-1.7-6.6 for ~~2001~~ **the current year.**

For purposes of determining adjusted ADM for ~~2001~~ **the current year**, 2000 ADM is without regard to

1 IC 21-3-1.6-1.2.

2 STEP TWO: Determine the difference between:

3 (A) the school corporation's average daily membership count for 2000, without regard to IC 21-3-1.6-1.2, as
4 added by this act; minus

5 (B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation
6 under this act after applying IC 21-3-1.6-1.2, as added by this act.

7 STEP THREE: Multiply the STEP TWO result by:

8 (A) twenty-seven percent (27%) in 2001;

9 (B) forty percent (40%) in 2002 and in 2003; and

10 (C) twenty percent (20%) in 2004.

11 STEP FOUR: Determine the greater of zero (0) or the result of:

12 (A) the school corporation's average daily membership count for ~~2001~~; **the current year**; minus

13 (B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation
14 under this act after applying IC 21-3-1.6-1.2, as added by this act, regardless of the effective date of
15 IC 21-3-1.6-1.2.

16 STEP FIVE: Multiply the STEP FOUR result by:

17 (A) twenty-seven percent (27%) in 2001;

18 (B) forty percent (40%) in 2002 and in 2003; and

19 (C) twenty percent (20%) in 2004.

20 STEP SIX: Determine the greater of zero (0) or the result of:

21 (A) the STEP THREE result; minus

22 (B) the STEP FIVE result.

23 STEP SEVEN: Determine the result of:

24 (A) the STEP ONE result; minus

25 (B) the STEP SIX result.

26 (b) This SECTION expires January 1, ~~2004~~; **2005**."

27 Page 159, delete lines 1 through 15.

28 Page 159, delete lines 39 through 50, begin a new paragraph and insert:

29 "SECTION 97. IC 6-3.1-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2003]:

31 **Chapter 20. Credit for Property Taxes Paid on Personal Property**

32 **Sec. 1. As used in this chapter, "assessed value" means the assessed value determined under IC 6-1.1-3.**

33 **Sec. 2. As used in this chapter, "net ad valorem property taxes" means the amount of property taxes paid by**
34 **a taxpayer for a particular calendar year after the application of all property tax deductions and property tax**
35 **credits.**

36 **Sec. 3. As used in this chapter, "pass through entity" means:**

37 (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

38 (2) a partnership;

39 (3) a trust;

40 (4) a limited liability company; or

41 (5) a limited liability partnership.

42 **Sec. 4. As used in this chapter, "personal property" includes personal property as defined in IC 6-1.1-1-11**

and personal property assessed under IC 6-1.1-7.

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-2.1 (gross income tax);
- (2) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax);
- (3) IC 6-3-8 (supplemental net income tax);
- (4) IC 6-5.5 (financial institutions tax); and
- (5) IC 27-1-18-2 (insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 6. As used in this chapter, "taxpayer" means an individual or entity that has state tax liability.

Sec. 7. (a) A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year for the net ad valorem property taxes paid by the taxpayer in the taxable year on personal property with an assessed value equal to the lesser of:

- (1) the assessed value of the person's personal property; or
- (2) thirty-seven thousand five hundred dollars (\$37,500).

A taxpayer is entitled to only one (1) credit under this chapter each taxable year.

(b) An affiliated group that files a consolidated return under IC 6-2.1-5-5 is entitled to only one (1) credit under this chapter each taxable year on that consolidated return. A taxpayer that is a partnership, joint venture, or pool is entitled to only one (1) credit under this chapter each taxable year, regardless of the number of partners or participants in the organization.

Sec. 8. If the amount of the credit determined under section 7 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

A taxpayer is not entitled to a carryback.

Sec. 9. If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

Sec. 10. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department proof of payment of an ad valorem property tax and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

SECTION 98. IC 6-1.1-20.5 IS REPEALED [EFFECTIVE JANUARY 1, 2002].

SECTION 99. [EFFECTIVE JANUARY 1, 2002] IC 6-3.1-20, as added by this act, applies only to taxable years that begin after December 31, 2002."

Delete pages 160 through 161.

Page 162, delete lines 1 through 9.

Renumber all SECTIONS consecutively.

(Reference is to EH 1001 as printed March 23, 2001.)

Senator SIMPSON